



Monde Nissin

Q1 2023 Earnings Presentation

May 15, 2023



First Quarter 2023 Financial Performance

Consolidated & APAC BFB



Consolidated revenue grew +10.9% year-on-year on a comparable basis, achieving new record-high quarter

PHP mn	Q1 2023	Reported Change YoY	Comparable ⁴ Change YoY
Net Sales	20,050	+9.6%	+10.9%
APAC BFB	16,525	+13.7%	+15.4%
Meat Alternative	3,525	-6.2%	-6.2%
Core Gross Profit	6,099	-5.0%	-1.8%
<i>Core gross margin (%)</i>	<i>30.4%</i>	<i>-4.7ppts</i>	<i>-3.9ppts</i>
Core EBITDA¹	3,434	-4.6%	-4.6%
<i>Core EBITDA margin (%)</i>	<i>17.1%</i>	<i>-2.5ppts</i>	<i>-2.8ppts</i>
Core Net Income²	1,878	-11.6%	-11.6%
<i>Core net margin (%)</i>	<i>9.4%</i>	<i>-2.2ppts</i>	<i>-2.4ppts</i>
Core Net Income at Ownership³	1,876	-11.6%	-11.6%
<i>Core net margin at ownership (%)</i>	<i>9.4%</i>	<i>-2.2ppts</i>	<i>-2.4ppts</i>
Non-Core Items	60	-71.5%	-71.5%
Reported Net Income	1,938	-17.0%	-17.0%
<i>Reported net margin (%)</i>	<i>9.7%</i>	<i>-3.1ppts</i>	<i>-3.2ppts</i>

- Comparable⁴ revenue increased +10.9% due to pricing actions and solid volume growth across all categories in APAC BFB
 - Reported revenue grew +9.6%
- Decrease of -1.8% in comparable⁴ core gross profit due to elevated raw material and higher overhead costs, partially offset by price increases
 - Core gross margin improved by 112 bps quarter-over-quarter on a comparable⁴ basis due to continued strong revenue growth and the runoff of expensive commodity lock-ins
 - Reported core gross profit dipped -5.0%
- Reported net income of Php 1,938 mn includes
 - Restructuring costs in MNUK amounting to Php 177 mn

¹ Core EBITDA = EBITDA + loss on redemption + derivative loss + other non-recurring expenses less derivative gains

² Core net income = gross profit – operating expenses – core forex – core interest expense – tax

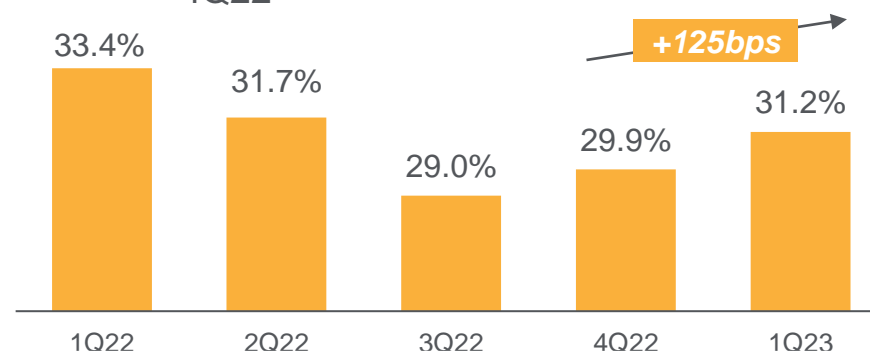
³ Core net income at ownership = core net income – non-controlling interest

⁴ Comparable year-on-year growth reflects the reclassification related to PFRS15

APAC BFB: Growth in Noodles, Biscuits, and Others categories boost top line

PHP mn	Q1 2023	Reported Change YoY	Comparable ³ Change YoY
Net Sales	16,525	+13.7%	+15.4%
Core Gross Profit	5,149	+3.1%	+7.7%
<i>Core gross margin (%)</i>	<i>31.2%</i>	<i>-3.2ppts</i>	<i>-2.2ppts</i>
Core EBITDA¹	3,550	+5.0%	+5.0%
<i>Core EBITDA margin (%)</i>	<i>21.5%</i>	<i>-1.8ppts</i>	<i>-2.1ppts</i>
Core Net Income²	2,198	+2.8%	+2.8%
<i>Core net margin (%)</i>	<i>13.3%</i>	<i>-1.4ppts</i>	<i>-1.6ppts</i>

- Pricing and volume increase across all categories drive comparable³ revenue growth of +15.4%
- Comparable³ core gross profit improvement of +7.7% due to volume growth and net positive PHP price recovery over inflation
 - Gross margin year-on-year decline due to dilutive effect of price increase and challenging baseline as 1Q22 reflects lowest commodity prices partly due to favorable lock ins
 - Sequentially, gross margin continues to improve, increasing by 125 bps versus 4Q22



- Core net income increased by +2.8% due to gross profit uplift

APAC BFB: Q1 growth driven by price increases and volume growth in all categories

Revenue Growth Breakdown

	APAC BFB	Noodles	Biscuits	Others ¹
Q1 Year-on-Year Reported	+13.7%	+8.1%	+17.4%	+22.4%
PFRS 15 Adjustment in 1Q22	+1.7%	+1.8%	+1.5%	+1.6%
Q1 Year-on-Year Comparable	+15.4%	+9.9%	+18.9%	+24.0%
Net Price ²	+7.8%	+7.3%	+7.7%	+8.9%
Volume/Mix	+7.6%	+2.6%	+11.2%	+15.1%

APAC BFB: Initiatives in place to support and strengthen market positions across categories

Noodles



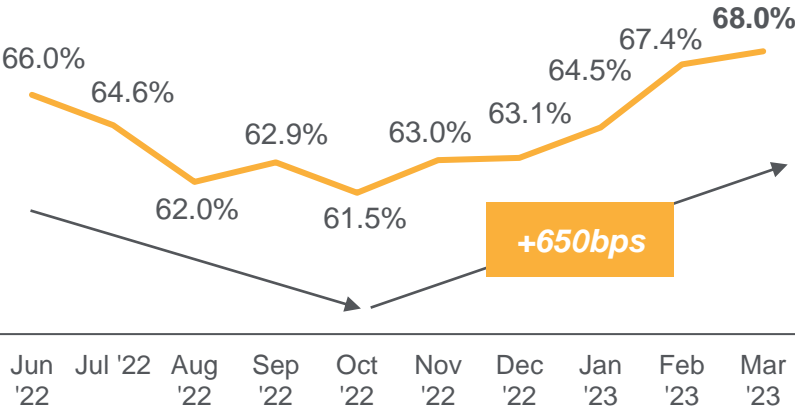
67.9%

66.6%

1Q22

1Q23

Past 4 Weeks Market Share by Month



Biscuits



29.5%

28.7%

1Q22

1Q23



Others

Oyster Sauce



60.9%

60.1%

1Q22

1Q23

Yogurt Drinks



89.5%

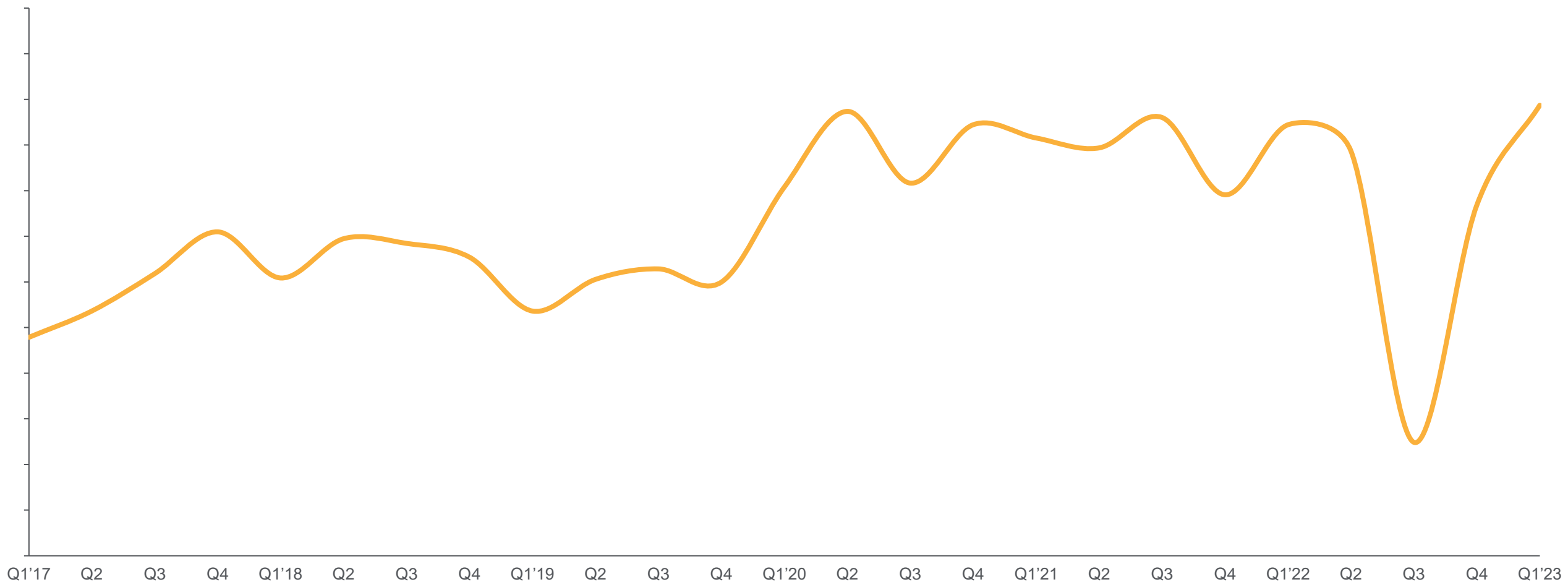
89.8%

1Q22

1Q23

APAC BFB: Fully recovered in Domestic Noodles with 9% volume growth versus Q4 and 20% growth versus pre-pandemic level

Noodles Quarter-to-Date Net Sales in KG

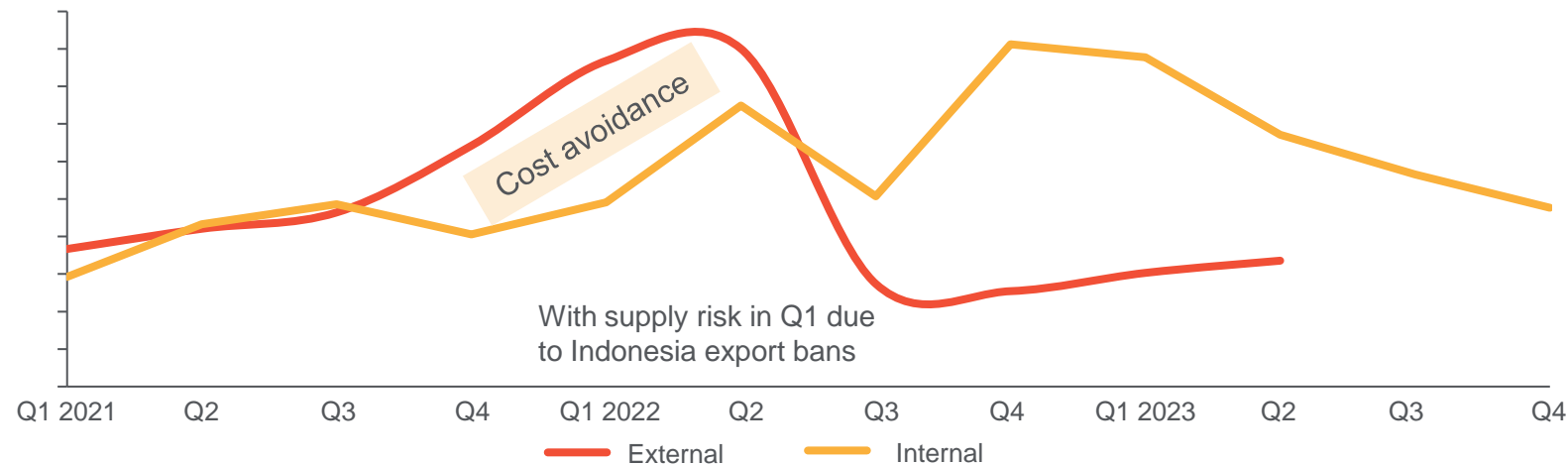


APAC BFB: Delayed depletion of elevated locked-in commodity costs; further margin recovery for the long term

Wheat



Palm Oil



- Conservative measures taken in 1H 2022 to secure supply due to extremely volatile business environment
- Effect of tapered commodity pressures delayed due to temporary decline in Noodles in Q3
- Impact of falling commodity prices partly reflected in 1Q23 for wheat and to be partly reflected in 2Q23 for crude palm oil
- Wheat and crude palm oil partly secured until 3Q23 and 4Q23, respectively

First Quarter 2023 Financial Performance

Meat Alternative



Meat Alternative: A challenging quarter with organic sales -4.3% year-on-year

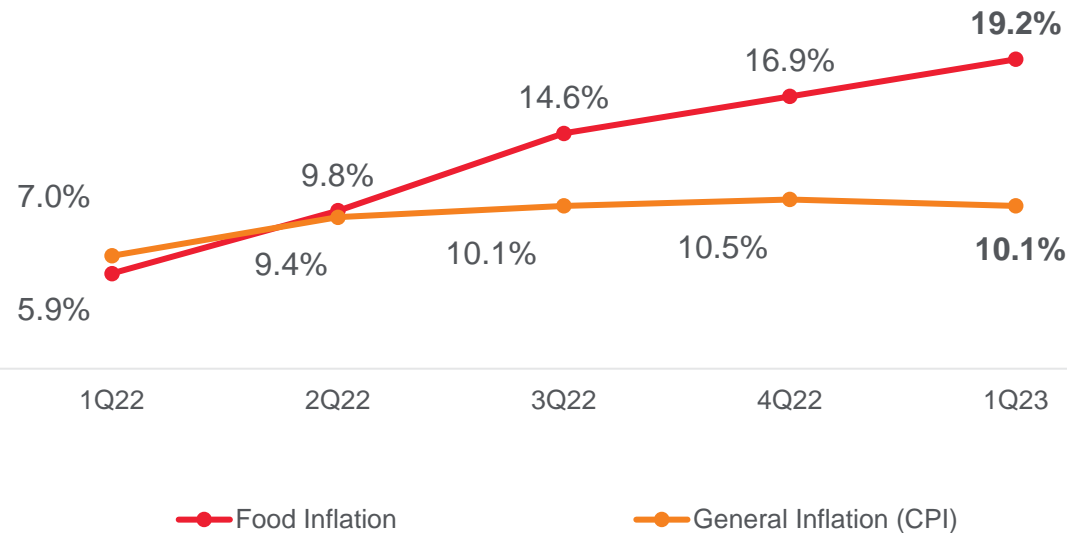
PHP mn	Q1 2023	Reported Change YoY
Net Sales	3,525	-6.2%
Core gross Profit	950	-33.4%
<i>Core gross margin (%)</i>	<i>27.0%</i>	<i>-11.0ppts</i>
Core EBITDA¹	(116)	N/M
<i>Core EBITDA margin (%)</i>	<i>-3.3%</i>	<i>-9.1ppts</i>
Core Net Income²	(320)	N/M
<i>Core net margin (%)</i>	<i>-9.1%</i>	<i>-8.7ppts</i>

- Reported sales declined by -6.2% and organic sales declined by -4.3% on volumes that were down -14.2%
 - Retail sales declined by -8.1% (reported) with UK share improving to 32.6% from 30.6% in 1Q22
 - Foodservice/QSR sales grew by +4.6% (reported)
- Gross margin at 27.0% was down vs 1Q22 (38.0%) driven by lower manufacturing volume, higher overhead costs, and the dilutive effect of price vs input cost inflation
 - Margin recovery initiatives include a combination of pricing, restructuring, and manufacturing efficiency projects combined with lower costs on key inputs
- Core EBITDA is behind 1Q22 reflecting the flow through of sales and lower margin

Meat Alternative: The UK market remains challenging...

UK Economy*

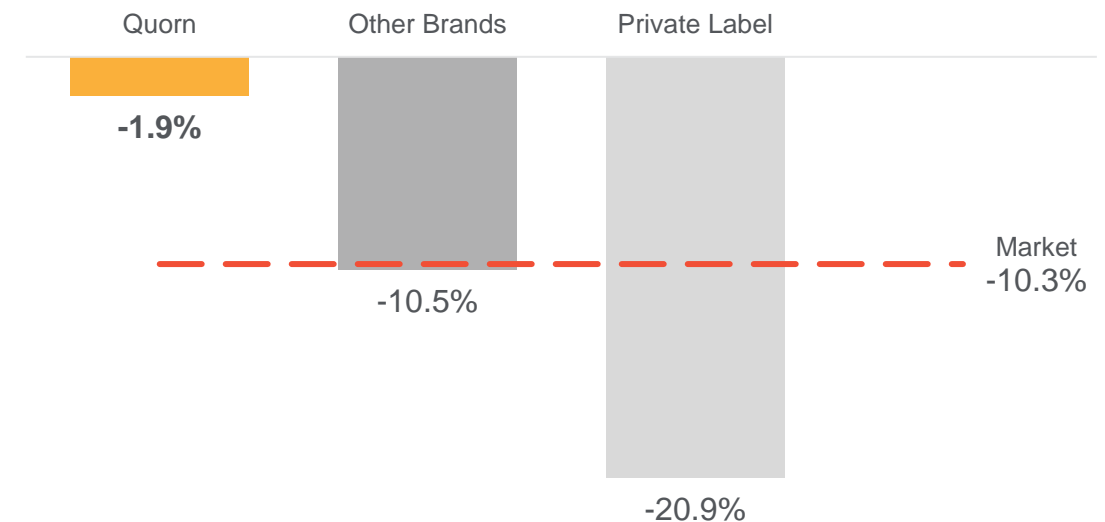
UK Inflation



- Despite narrowly avoiding recession in the UK, economy remains fragile
- Food inflation at +19.2% is driving shoppers to reduce purchases and/or switch to cheaper products
- Shopper confidence remains low

Meat Alternative Market**

Total Market Growth

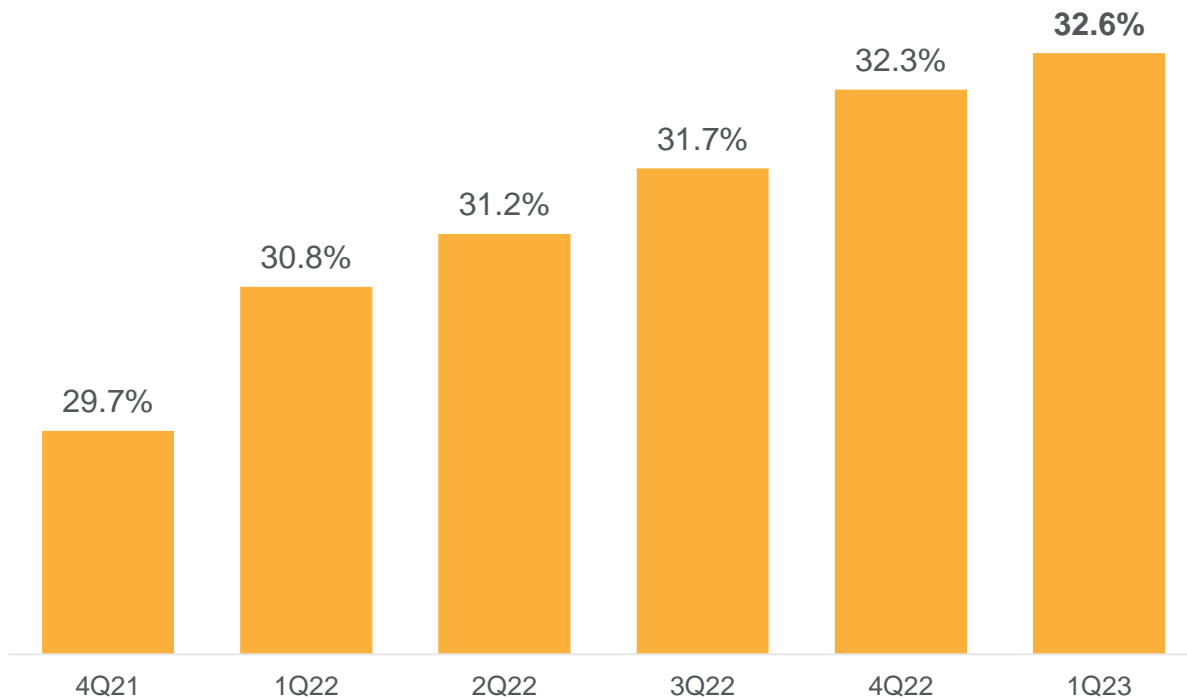


- Quorn sales declined by -1.9% vs market at -10.3%
 - Chilled: Quorn -3.5% / market -12.9%
 - Frozen: Quorn -0.5% / market -6.1%

Meat Alternative: ...but Quorn continues to perform ahead of the competition with share now at 32.6% up from 30.8% a year ago

Market Share*

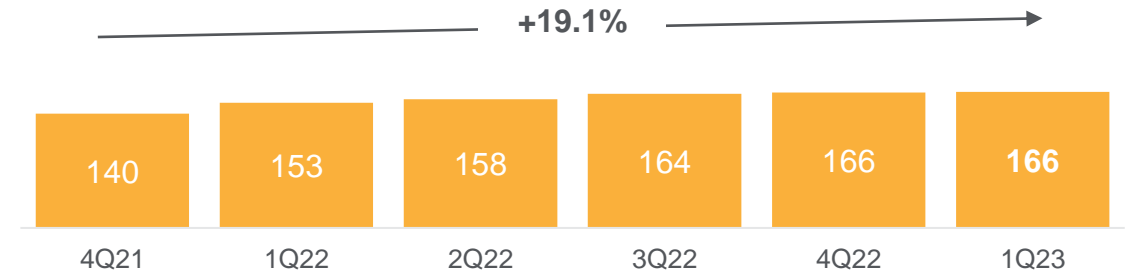
Total Market Share



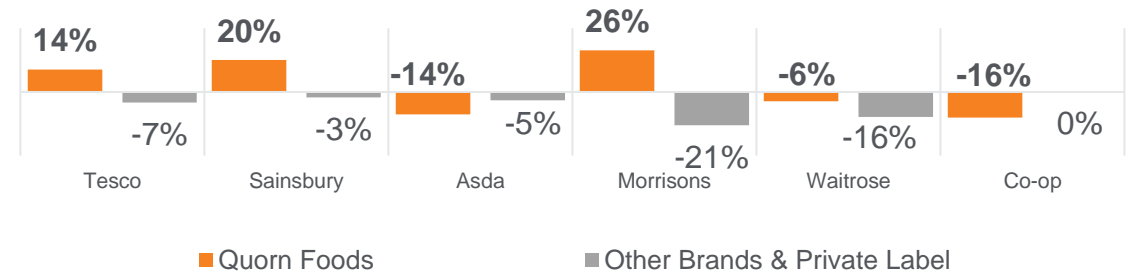
- Share continues to build and has reached 32.6%
 - Quorn frozen share is at 36.9% up from 34.8% in 1Q22
 - Quorn chilled share is at 22.5% up from 20.3% in 1Q22

Distribution

Quorn Foods PODs (000s)



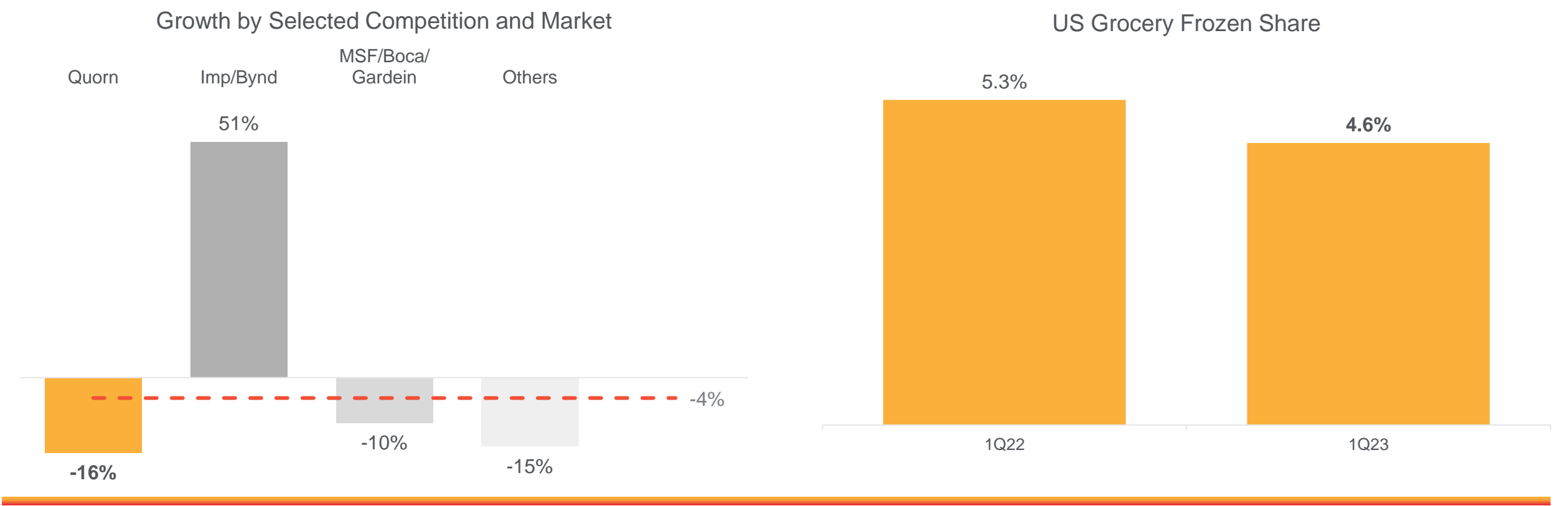
PODs Year-on-Year Change



- Quorn Foods UK PODs are up 19.1% since 4Q21
- Quorn Foods gains are ahead of the competition in 4 of the large 6 retailers

Meat Alternative: The USA market and share decline continue; restructuring complete with focus on consumer activation and protecting distribution

Market & Share*

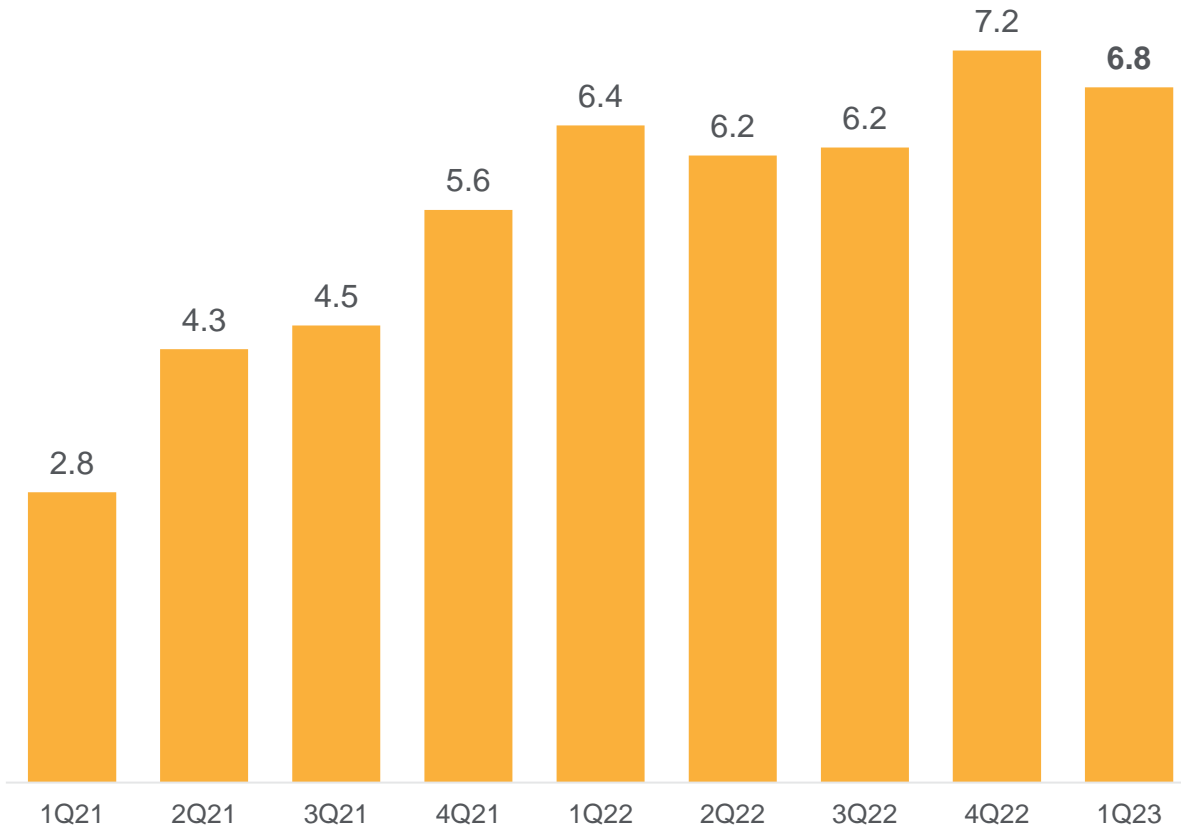


- Frozen grocery market has declined by -4% year-on-year with Quorn down -16% and share now at 4.6%

Meat Alternative: Foodservice/QSR delivers +4.6% reported growth in the face of a challenging landscape

Reported Sales*

Average per Day in PHP mn

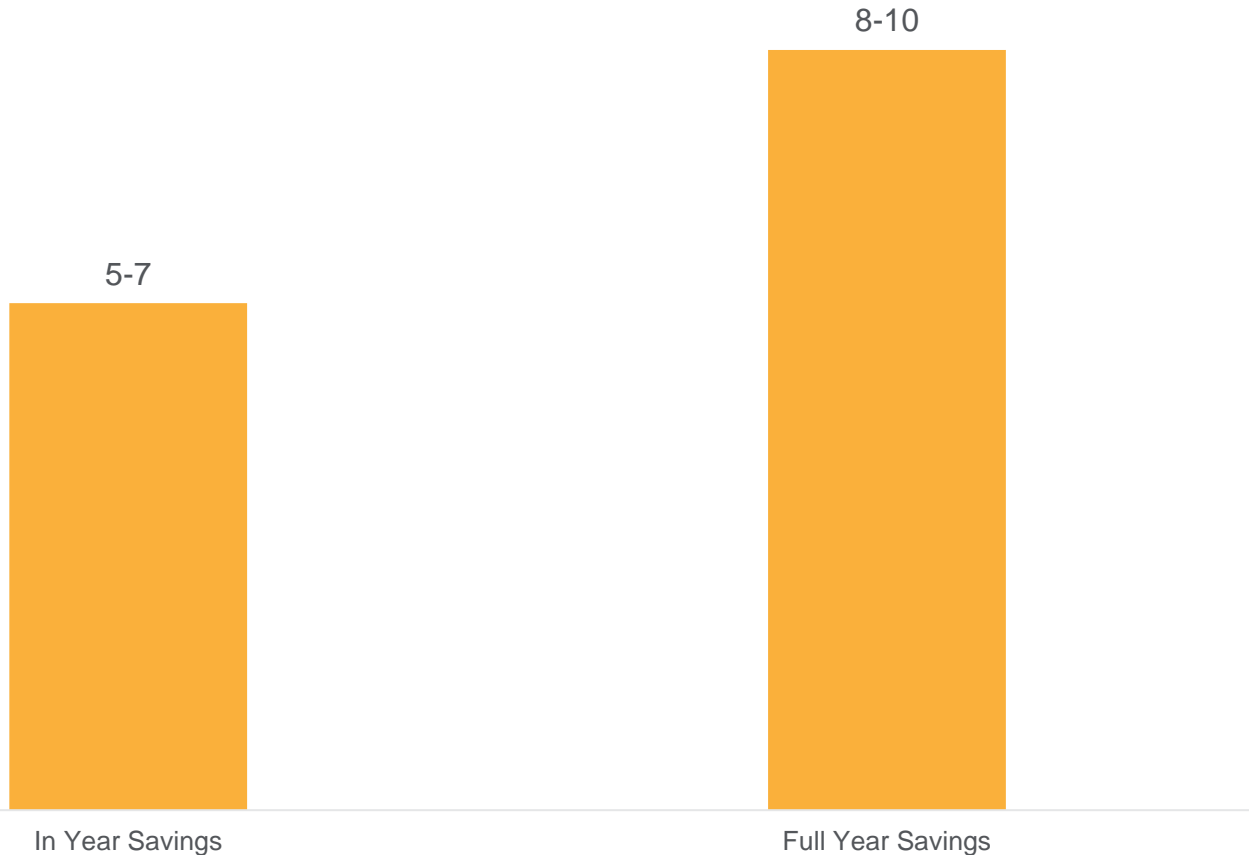


Growth drivers

- 2022 benefits from lapping covid affected 2021
- 1Q23 performance includes :
 - Impact of UK economic conditions including lower UK restaurant footfall, wholesalers managing cash through lower stock holding and UK strike action affecting education and health sectors
 - Ongoing growth momentum from UK foodservice and KFC partially offset by YoY decline in Greggs

Meat Alternative: We are addressing our cost base in the face of significant retail market contraction whilst ensuring we protect the growth elements of our business (FS/QSR)

In GBP mn



One-time costs of GBP 6-8 mn

- c.60 full-time employees savings across
 - Supply chain (c.30) plus agency staff
 - Commercial and admin (c.20)
 - USA (c.10)
- UK
 - Right size the commercial and admin functions
 - No change to Foodservice/QSR business units to maintain momentum
 - Supply chain reorganized to increase efficiency and agility whilst preserving ability to respond to demand changes
- US
 - Pare back the organization to focus on retail customers and existing FS customers as previously announced

Corporate Matters

Consolidated



Plan for equity infusion of up to GBP 40 mn into UK entity to pay down existing debt to better reflect current asset value and lower interest expense, and cover restructuring costs

Organizational Structure

Monde Nissin Corporation

100%

Monde Nissin Singapore Pte. Ltd.

100%

Monde Nissin (UK) Ltd.

Use of Proceeds

1

Partial repayment of sterling term loan (GBP 34 mn)

2

Restructuring in the UK and US (GBP 6 mn)

Q&A





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Appendix



Key takeaways

1

Consolidated revenue for the first quarter grew 9.6% on a reported basis and 10.9% on a comparable basis due to the strong growth of APAC BFB categories, and in particular, domestic noodles.

2

APAC BFB net sales for the first quarter increased by 13.7% on a reported basis and 15.4% on a comparable basis, mainly driven by volume growth and price increases in all categories. The domestic business grew 13.4% on a reported basis and 15.2% on a comparable basis year-on-year in Q1 due to the strong growth in all categories. International revenue increased by 18.6% for the full year due robust growth in all categories.

3

Meat Alternative revenue declined by 4.3% in Q1 on an organic basis due to the continued category headwinds. On a reported basis, revenue for the first quarter declined by 6.3%, and by 15.4% compared to the previous quarter. UK and US declined 1.9% and 33.6% on an organic basis in Q1, respectively, due to the challenging retail market. The foodservice grew 4.6% for the first quarter.

4

First quarter core gross profit declined by 5.0% on a reported basis and 1.8% on a comparable basis. Core gross margin declined by 470 bps on a reported basis and 390 bps on a comparable basis to 30.4% due to elevated raw material and higher overhead costs, partially offset by price increases. Meanwhile, core gross margin for the first quarter improved by 112 bps quarter-over-quarter on a comparable basis due to continued strong revenue growth and the run off of expensive commodity lock-ins.

5

Core net income attributable to shareholders for the first quarter declined by 11.6%, reflecting the decline in gross profit particularly in the meat alternative business. Reported net income for the quarter declined by 17.0% due to restructuring costs in Quorn US, partially offset by foreign exchange gain and net interest income.

Consolidated P&L Summary

PHP mn	Q1 2022	Q1 2023	Reported Change YoY
Revenue	18,298	20,050	+9.6%
Cost of Goods Sold	11,876	13,951	+17.5%
Core Gross Profit	6,422	6,099	-5.0%
Core Operating Expenses ¹	3,517	3,355	-4.6%
Core EBITDA²	3,600	3,434	-4.6%
Core Net Income³	2,124	1,878	-11.6%
Core Net Income at Ownership⁴	2,121	1,876	-11.6%
Reported Income after Tax	2,335	1,938	-17.0%

¹ Core operating expenses = selling, general, and administrative expenses – non-recurring expenses

² Core EBITDA = EBITDA + loss on redemption + derivative loss + other non-recurring expenses less derivative gains

³ Core net income = gross profit – operating expenses – core forex – core interest expense – tax

⁴ Core net income at ownership = core net income – non-controlling interest

APAC BFB P&L Summary

PHP mn	Q1 2022	Q1 2023	Reported Change YoY
Revenue	14,539	16,525	+13.7%
Cost of Goods Sold	9,544	11,376	+19.2%
Core Gross Profit	4,995	5,149	+3.1%
Core Operating Expenses ¹	2,136	2,113	-1.1%
Core EBITDA ²	3,382	3,550	+5.0%
Core Net Income ³	2,137	2,198	+2.8%

Meat Alternative P&L Summary

PHP mn	Q1 2022	Q1 2023	Reported Change YoY
Revenue	3,759	3,525	-6.2%
Cost of Goods Sold	2,332	2,575	+10.4%
Core Gross Profit	1,427	950	-33.4%
Core Operating Expenses ¹	1,381	1,242	-10.1%
Core EBITDA ²	218	(116)	N/M
Core Net Income ³	(13)	(320)	N/M

¹ Core operating expenses = selling, general, and administrative expenses – non-recurring expenses

² Core EBITDA = EBITDA - non-recurring expenses

³ Core net income = gross profit – core operating expenses – core forex – core interest expense – tax

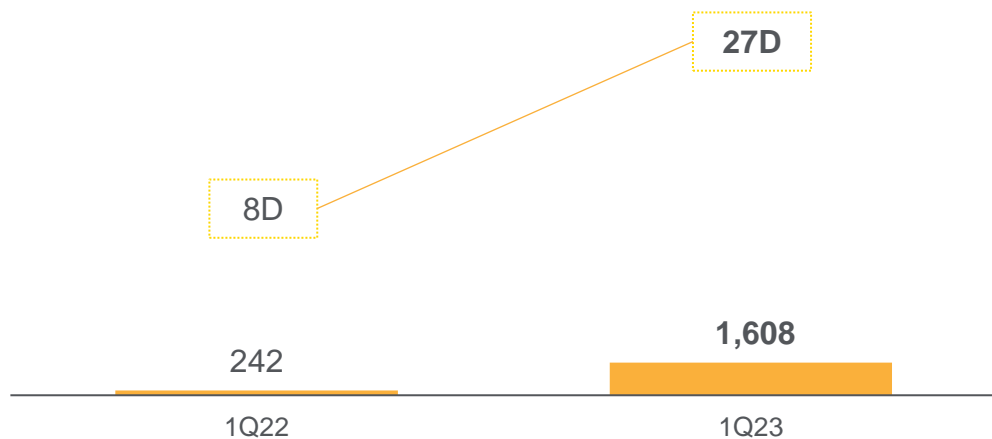
Cash Flow Summary

PHP mn	Q1 2022	Q1 2023
Income before Income Tax	2,934	2,462
Depreciation & Amortization	655	663
Finance Costs	126	161
Derivative Loss (Gain)	(75)	1
Working Capital Adjustments	(2,224)	(936)
Others	(3)	(107)
Net Cash Generated from Operations	1,413	2,244
Income Tax Paid & Interest Received	(604)	(152)
Net Cash Flows from Operating Activities	809	2,092
Additions to Property, Plant and Equipment	(1,106)	(636)
Additions to Investments at FVTPL	(1)	(809)
Financial Assets at FVTPL – Non-current	-	(929)
Proceeds from Termination of Investments at FVTPL	-	574
Other Non-Current Assets	45	(62)
Others	(26)	(43)
Net Cash Flows from Investing Activities	(1,088)	(1,905)
Loans – Net of Payment	0	-
Derivatives	75	(1)
Interest	(65)	(116)
Payment of Principal Portion of Lease Liabilities	(82)	(142)
Other Non-Current Liabilities	0	1
Net Cash Flows from Investing Activities	(72)	(258)
Net Increase (Decrease) in Cash and Cash Equivalents	(350)	(72)
Effect of Foreign Exchange Rate on Cash and Cash Equivalents	(25)	(17)
Cash and Cash Equivalents at End of Period	13,481	11,540
Free Cash Flow	307	1,608

Free Cash Flow & Working Capital

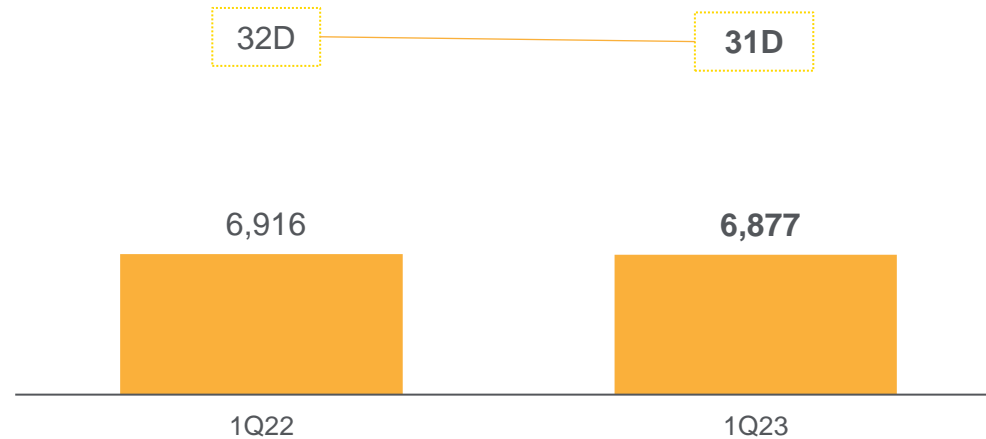
Free Cash Flow & Conversion Cycle Days

PHP mn



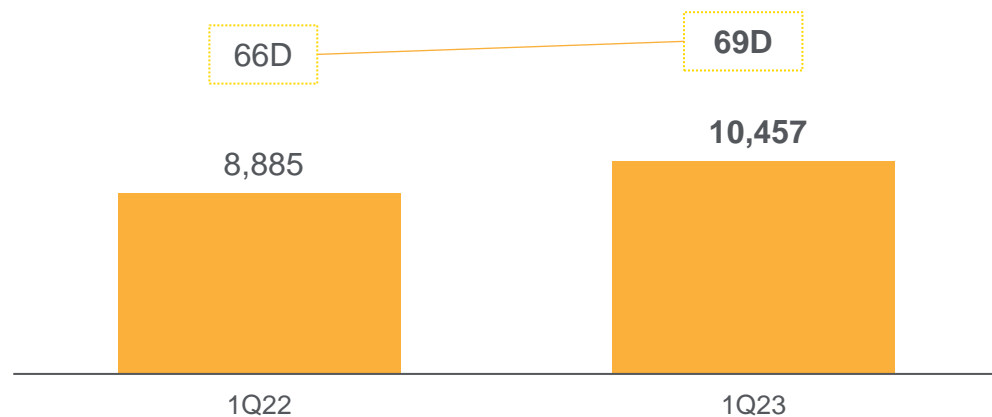
Trade Receivables & Days Sales Outstanding

PHP mn



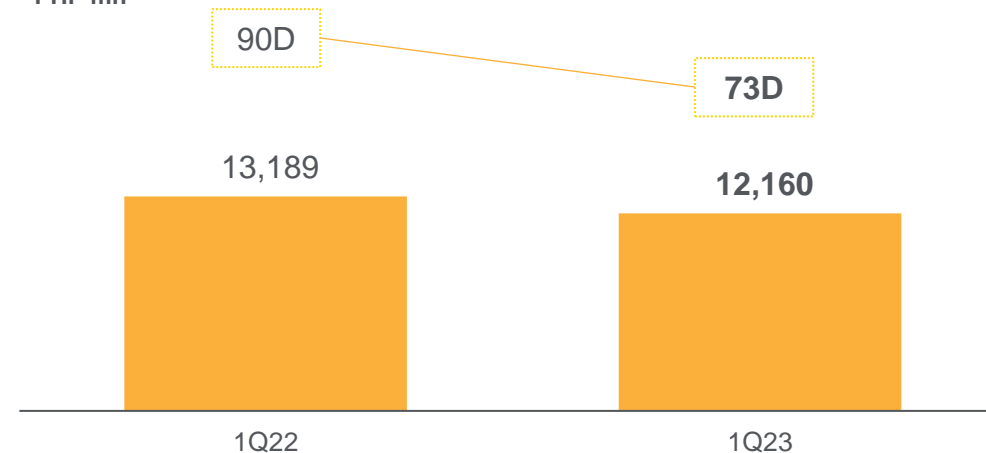
Inventory & Days Inventory Outstanding

PHP mn



Accounts Payable¹ & Days Payables Outstanding

PHP mn



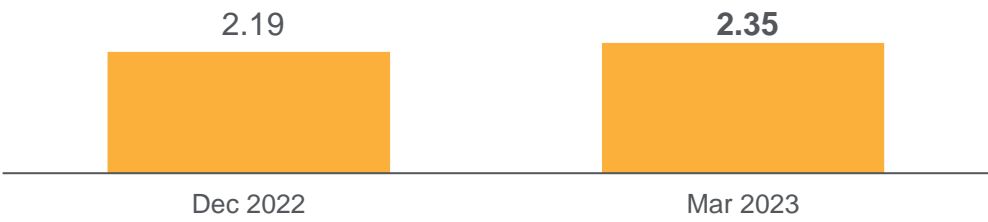
Balance Sheet Summary

PHP mn	FY 2022	Q1 2023
Cash and Cash Equivalents	11,629	11,540
Trade and Other Receivables	6,800	6,877
Inventories	10,879	10,457
Others	3,025	3,111
Current Assets	32,333	31,985
Intangible Assets	14,483	14,504
Property, Plant and Equipment	30,864	30,830
Others	3,613	4,510
Non-Current Assets	48,960	49,844
Total Assets	81,292	81,829

PHP mn	FY 2022	Q1 2023
Trade and Other Payables	11,323	11,018
Loans Payable - Current	270	270
Long-Term Loan	6,983	6,994
Others	10,445	9,566
Total Liabilities	29,021	27,848
Capital Stock & Additional Paid-In Capital	55,500	55,500
Retained Earnings	1,172	3,107
Others	(4,401)	(4,626)
Total Equity	52,271	53,981
Total Liabilities and Equity	81,292	81,829

Ratios Summary

Current Ratio



Core Return on Equity



Net Debt-to-Equity Ratio



Core Return on Assets

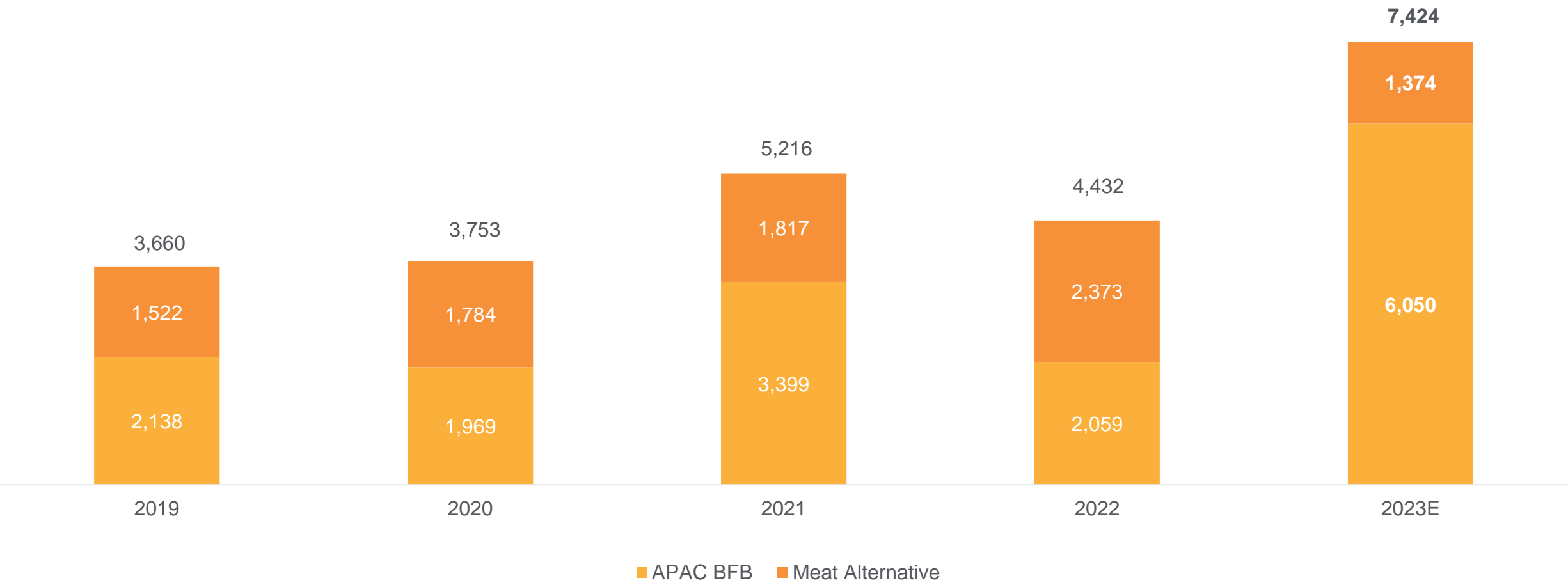


Core Net Margin



2023 CapEx plan to focus on building capacity and capability for APAC BFB

In PHP mn



Making Better Possible

	PRODUCT	PLANET	PEOPLE	PARTNERSHIP			
STRATEGIC PILLARS	Making Better Food Accessibility Possible Monde Nissin develops healthier great-tasting, affordable, and more sustainable products.	Making Eco-efficiency Possible Monde Nissin cares for the planet by managing its environmental footprint	Making Inclusivity Possible Monde Nissin nurtures people by promoting better workplace practices, reaching out to communities, and creating livelihood opportunities.	Making Collective Action Possible Monde Nissin forms partnerships to foster meaningful change.			
PRIORITY UN SDGs	<div>2 ZERO HUNGER</div> <div></div>	<div>6 CLEAN WATER AND SANITATION</div> <div></div> <div>7 AFFORDABLE AND CLEAN ENERGY</div> <div></div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div></div> <div>13 CLIMATE ACTION</div> <div></div>	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<div>17 PARTNERSHIPS FOR THE GOALS</div> <div></div>			
NORTH STAR TARGETS	<ul style="list-style-type: none">Majority revenue share of better and healthier products by 2030.	<ul style="list-style-type: none">50% reduction in the Scope 1 and Scope 2 GHG intensity of manufacturing operations by 2025.50% reduction in the water intensity of manufacturing operations by 2025Zero waste-to-landfill from manufacturing operations by 202595% recycle-ready packaging by 2025	<ul style="list-style-type: none">5,000 Independent Brand Experts and 25,000 sari-sari stores provided with livelihood opportunities, and financial credit (for sari-sari stores), by 2030.Diverse workforce all enjoying access to social safeguards and dialogue, and competency development by 2025.	<ul style="list-style-type: none">100% of employees observing that sustainability is embraced in the way people act and decide in the Company by 2030.			
OTHER UN SDGs SUPPORTED	<div>1 NO POVERTY</div> <div></div>	<div>3 GOOD HEALTH AND WELL-BEING</div> <div></div>	<div>5 GENDER EQUALITY</div> <div></div>	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div></div>	<div>10 REDUCED INEQUALITIES</div> <div></div>	<div>14 LIFE BELOW WATER</div> <div></div>	<div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div></div>



Our Corporate Aspiration
We aspire to improve the well-being of people and the planet, and create sustainable solutions for food security

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